



200 Independence Avenue SW  
Washington, DC 20201

November 28, 2011

**By Email and Regular Mail**

Linda J. Sheppard  
Director, Accident & Health Division and PPACA Project Manager  
Kansas Insurance Department  
420 SW 9<sup>th</sup> Street  
Topeka, KS 66612

Re: Kansas' Request for Adjustment to Medical Loss Ratio Standard

Dear Ms. Sheppard:

Thank you for the additional information provided in the Kansas Insurance Department ("Department")'s November 13, 2011 letter to the Center for Consumer Information and Insurance Oversight ("CCIIO"). This letter was sent in response to CCIIO's May 25, 2011 letters, which requested information necessary to complete Kansas' application for an adjustment to the MLR standard in the Kansas individual health insurance market, and clarifications regarding the information submitted with Kansas' initial application.

As of the date of this letter, we deem Kansas' application complete. We will make a decision regarding Kansas' application within 30 days. The Secretary may, in her discretion, extend the 30 day review period for as long a time as necessary not to exceed an additional 30 days. Should the application review period be extended, we will alert you as soon as practicable.

While we are deeming the application complete, we have reviewed the information the Department provided and request further information regarding the item listed below. This information will facilitate the Secretary's determination of the application. We would appreciate receiving the OID's response within seven (7) calendar days from the date of this letter. The responses should be submitted to [MLRAdjustments@hhs.gov](mailto:MLRAdjustments@hhs.gov).

The item for which we request further information is:

1. In the Excel attachment to the Department's November 13, 2011 letter entitled "Kansas Issuers With More Than 1,000 Enrollees" the Department provided issuers' estimated rebates for 2011-2013 under the 80 percent MLR standard, and for 2012-2013 under the Department's proposed adjusted MLR standard. For each issuer included in the Department's application, please also provide an estimate of the rebates that would be paid for the 2011 MLR reporting year under the Department's proposed adjusted MLR standard.

2. Please ascertain whether all, or a majority of Reserve National Ins. Co.'s policies in the Kansas individual market are policies with total annual limits of \$250,000 ("mini-med" policies). If so, please indicate whether the MLR calculation for Reserve takes into account the multiplier of two, provided for in 45 CFR 158.221(b)(3).

Once again, we appreciate Kansas' cooperation in working together to implement the Patient Protection and Affordable Care Act. If you have any questions during this process, please contact the Office of Oversight by email at [MLRQuestions@hhs.gov](mailto:MLRQuestions@hhs.gov) or by phone at (301) 492-4457.

Sincerely,

/Signed, GC, November 28, 2011/

Gary M. Cohen  
Acting Director, Office of Oversight  
Center for Consumer Information  
and Insurance Oversight